

Price bumped on X 1/9 and Spider 2000

Bricklin outlines marketing plans

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titude from his own distributor and the dealer body.

• Bricklin has been interviewing advertising agencies for his campaign, though at press time no decision had been made. The campaign itself will explain the new operation, the manufacturers and the cars as well as the distributor and the new management.

For IAH, Bricklin said he is looking for a president to head the operation. Bricklin will be chairman of the board.

The product will have undergone changes by the time it reaches the U. S. shores. The first cars are expected by the end of this month.

Bricklin was critical of Fiat's pricing of the two cars because,

he said, both cars cost "exactly the same" amount to build. Under his pricing structure, the cars will have identical stickers and both will be loaded.

There will be all-leather interiors, power windows, special wheels and special paint as well as air conditioning and AM/FM stereo.

The cars coming into the country will be '84 models.

All will carry rust perforation warranty, a three-year paint warranty and a two-year unlimited mileage vehicle warranty, he said.

Bricklin said that now that both Bertone and Pininfarina have control, more than 150 modifications have been made on the cars.

Bricklin is looking toward having the dealers make high

grosses on the cars, and building the organization to serve the customer.

He maintained that a car selling for nearly \$16,000 would make the customers expect more and, in turn, he wants dealers who will provide top service.

Bricklin said 1,000 dealers throughout the country was an absolute maximum number but did not go into the minimum numbers. He also stated flatly that there would not be any more than 2,000 cars of both cars imported per month.

With the organization rapidly coming together, Bricklin said, there would be future announcements about staffing that would surprise many people. The company is looking toward Northern New Jersey near the New York state border to locate its headquarters. Why?

"This is where the really experienced people are and a lot are available," he said, referring specifically to those who did not travel with Volkswagen of America in its move to Troy, Mich., as well as other companies. Most of the major European importers are located in this area of New Jersey.

His own company, the parent of IAH, Bricklin Industries, will be located in New York, but Bricklin stressed this would be a small office for the parent company alone.

Missouri dealer crackdown decreases ranks by 16 pct.

ST. LOUIS. — Missouri Revenue Director Richard A. King has announced the elimination of 1,066 automobile dealers, most of them used-car operators, from the state's registered rolls.

As a result of the increased screening of dealers to "enforce compliance" with Missouri statutes governing dealer conduct and standards, King indicated that the number of Missouri's registered dealers had been reduced from 6,350 to 5,284.

King said the 16.79 percent reduction in licensed dealers for registrations processed for the current calendar year is evidence of the Department of Revenue's attempts to protect Missouri consumers from fraud and abuse relating to modification of odometer readings, transfers of stolen vehicles and reconditioning of flood-damaged vehicles.

King said that he is doing his best to stop dishonesty.

Earlier this year, King announced that 20 dealer licenses had been revoked during 1982 and 14 dealers had been barred from applying for 1983 licenses as a result of violations of Missouri law governing dealer registration, odometer readings or consumer rights.

King is trying to change Missouri's image. He said that the state had been called "the national dumping ground for clocked titles." He is cooperating with law enforcement officials

and the insurance industry.

King told the Midwest Anti-Auto Crime Assn. that the reduction in the state's registered dealers is due, in a large part, to the Missouri Revenue Department's enforcement of state laws protecting consumers from unscrupulous dealers.

"We have significantly reduced the number of dealers who are taking advantage of individuals purchasing automobiles," he said. "I believe this clearly demonstrates that aggressive administrative action can make a difference."

He noted that 135 additional dealers are being investigated by the Criminal Investigation Bureau of the Missouri Department of Revenue or the State Highway Patrol. These investigations may result in the filing of criminal charges or additional dealer license revocations.

In addition to cracking down on dealers, the department has "tightened up" regulations on practices associated with title services, automobile auctions and salvage yard operators.

Beginning in September, 1982, the Missouri Department of Revenue initiated a crackdown on violations involving automobile titles. Particular emphasis was placed on eliminating titles containing fraudulent odometer readings, forged or altered titles and titles for stolen vehicles.

Beginning July 1, Missouri will get laminated titles "that can't be copied," King said.

Titles are no longer issued to automobiles without proper odometer readings, King said. Also, the department has increased inspections and audits to ensure that fraudulent titles are not issued.

Service Index declines a bit

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last year's figure, while shop parts sales (those used on customer-paid and warranty work) were up 0.5 percent. Total labor sales (customer-paid and warranty) increased 0.4 percent.

Figures used in the Service Index are averages compiled from reports on shop operations submitted by a cross-section of the nation's new-car dealerships.

For the two-month period, labor sales was the leading indicator with an increase of 6.3 percent over the year-ago volume for the same period, while shop parts sales increased 5.0 percent.

Gross profit showed an increase of 4.3 percent during the January-February period, while repair orders were up 0.8 percent and sales of all parts and accessories increased 0.1 percent.

1983 U. S. MODELS BY MAKE

	4-Door Models	2-Door Models*	Convertibles	4-Door Wagons	1983 Totals	(Final 1982 Totals)
AMERICAN MOTORS	5	7	0	4	16	(23)
AMC Concord	1	0	0	2	3	(9)
AMC Eagle	1	0	0	2	3	(6)
AMC Eagle SX-4	0	2	0	0	2	(2)
AMC Eagle Kammback	0	0	0	0	0	(2)
AMC Spirit	0	2	0	0	2	(4)
Renault Alliance**	3	3	0	0	6	(0)
CHRYSLER CORP.	20	14	4	5	43	(48)
Chrysler New Yorker						
Fifth Avenue	1	0	0	0	1	(1)
Chrysler New Yorker (FWD)	1	0	0	0	1	(0)
Chrysler E-Class	1	0	0	0	1	(0)
Chrysler Executive sedan/limousine	2	0	0	0	2	(0)
Cordoba	0	1	0	0	1	(2)
LeBaron	1	1	3	1	6	(7)
Dodge Diplomat	2	0	0	0	2	(2)
Aries	2	2	0	2	6	(8)
Charger	0	3	0	0	3	(3)
Dodge 400	1	1	1	0	3	(5)
Dodge 600	2	0	0	0	2	(0)
Mirada	0	1	0	0	1	(1)
Omni	2	0	0	0	2	(3)
Imperial	0	1	0	0	1	(1)
Plymouth Gran Fury	1	0	0	0	1	(1)
Horton	2	0	0	0	2	(3)
Reliant	2	2	0	2	6	(8)
Turismo	0	2	0	0	2	(3)
FORD MOTOR CO.	32	50	1	11	94	(93)
Ford LTD Crown Victoria	1	1	0	1	3	(8)
Escort	3	4	0	3	10	(12)
EXP	0	5	0	0	5	(1)
Fairmont Futura	1	2	0	0	3	(3)
Granada	0	0	0	0	0	(8)
LTD (Int.)	2	0	0	1	3	(0)
Mustang	0	6	1	0	7	(6)
Tempo	3	3	0	0	6	(0)
Thunderbird	0	3	0	0	3	(3)
Lincoln	3	0	0	0	3	(3)
Continental	3	0	0	0	3	(3)
Mark VI	3	4	0	0	7	(7)
Mercury Grand Marquis	2	2	0	1	5	(7)
Capri	0	5	0	0	5	(5)
Cougar ('82)	0	0	0	0	0	(2)
Cougar ('83) XR-7 ('82)	0	2	0	0	2	(5)
LN7	0	4	0	0	4	(1)
Lynx	4	4	0	3	11	(15)
Marquis (Int.)	2	0	0	2	4	(0)
Topaz	3	3	0	0	6	(0)
Zephyr	2	2	0	0	4	(4)
GENERAL MOTORS	53	63	3	17	136	(137)
Buick LeSabre-Electra	4	4	0	2	10	(10)
Century	3	3	0	0	6	(4)
Regal	2	3	0	1	6	(6)
Riviera	0	2	1	0	3	(3)
Skyhawk	2	3	0	2	7	(4)
Skyline	2	3	0	0	5	(6)
Cadillac	4	2	0	0	6	(6)
Cimarron	1	0	0	0	1	(1)
Eldorado	0	1	0	0	1	(1)
Seville	1	0	0	0	1	(1)
Chevrolet Impala-Caprice	2	0	0	1	3	(6)
Camaro	0	3	0	0	3	(3)
Cavalier	2	3	1	2	8	(11)
Celebrity	1	1	0	0	2	(2)
Chevette	2	2	0	0	4	(4)
Citation	1	2	0	0	3	(3)
Corvette	0	1	0	0	1	(2)
Malibu	1	0	0	1	2	(2)
Monte Carlo	0	1	0	0	1	(1)
Oldsmobile 88-96	5	3	0	1	9	(9)
Cutlass Clera	2	2	0	0	4	(6)
Cutlass Supreme	2	3	0	1	6	(6)
Firenza	2	2	0	2	6	(4)
Omega	2	2	0	0	4	(4)
Toronado	0	1	0	0	1	(1)
Pontiac Parisienne	1	6	0	1	8	(0)
Bonneville G	2	0	0	1	3	(3)
Firebird	0	3	0	0	3	(3)
Grand Prix	0	3	0	0	3	(3)
Phoenix	3	3	0	0	6	(6)
Pontiac 1000	1	1	0	0	2	(2)
Pontiac 2000	2	4	1	2	9	(10)
Pontiac 6000	3	2	0	0	5	(4)
VOLKSWAGEN**	3	4	0	0	7	(6)
Rabbit	3	4	0	0	7	(6)
1983 TOTALS	113	136	8	37	296	
1982 TOTALS (End of Model Year)	113	150	4	40		(307)

*—Two-door total includes hatchbacks, which some makers list as three-door models.
**—Renault and Volkswagen totals include only U. S.-built models.

That's below 1982's 307, but is second-highest since 1975

Domestic-car model count is trimmed to 296

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of those so-called '84s that are built and sold during the '83 model year will be counted in its manufacturer's production and sales figures for the '83 model year.

Production of some '83 lines has concluded or is about to end: AMC Spirit and Concord, Chrysler Imperial, Ford Fairmont, Mercury Zephyr. Those nameplates, which are not sched-

uled to be built in '84, will be out of production by the time the last of the '83-model-year cars are introduced. They are included in the '83 model count because dealers still have some of them in stock.

• The 296 selections for the '83 model year consist of 136 from General Motors, 94 from Ford Motor, 43 from Chrysler Corp., 16 from American Motors and

seven from Volkswagen. The AMC total includes the six Renault Alliance models built in the U. S.

By market class, the 296 models are made up of 89 compacts, 78 intermediates, 62 subcompacts, 28 standard-size cars and 29 luxury cars.

A breakdown by body styles shows 113 four-door sedans, 138 two-door sedans, coupes and hatchbacks, 37 four-door sta-

tion wagons and eight convertibles.

Mercury, with 41, offers the most models for the '83 model year, followed by Ford, 40; Buick, 37; Pontiac, 33; Oldsmobile, 30, and Chevrolet, 27.

Totals for other domestic makes are Dodge, 19; Lincoln, 13; Chrysler, 12; Plymouth, 11; AMC, 10; Cadillac, 9; Volkswagen, 7; Renault, 6, and Imperial, 1.

104,797 built; all plants closed Good Friday

4-day week trims auto production

By Patricia Hoffman
Staff Writer

Although last week's Good Friday holiday pulled domestic car output down 22.36 percent from the previous week's total, output for the year to date remained substantially ahead of

last year's period.

During four days of assembly last week, the auto makers scheduled 104,797 units, down from 134,975 built in the previous five-day week, and down 1.84 percent from 106,761 cars assembled during five days in

the comparable 1982 week.

To date, the manufacturers have finished 1,510,915 units, a 35.30 percent gain from last year's 1,116,879.

Only one facility was reported idle last week (March 28) with five plants working overtime.

Ford Motor's Kansas City plant remained closed for changeover to the new Tempo and Topaz models. The facility phased out production of Fairmont and Zephyr March 14. Full operations are slated to resume in April.

The General Motors' Detroit point worked 1.6 hours of daily overtime last Monday and Tuesday, with normal eight-hour shifts resuming Wednesday.

Also on overtime were all of Chrysler Corp.'s assembly plants. The Belvidere, Jefferson and Newark facilities operated two daily nine-hour shifts three days last week. The St. Louis point worked one daily nine-hour shift, also three days. Normal eight-hour operations resumed at all four plants on Thursday.

Downtime is slated this week (April 4) at GM's Willow Run and Wilmington facilities. Both points are closed one week for inventory control.

U. S. CAR PRODUCTION

	Week Ended April 2, 1983	Week Ended April 3, 1982	Week Ended March 26, 1983	March Est.	Jan. 1 to April 3, 1983	Jan. 1 to April 2, 1982
AMERICAN MOTORS	2,700	1,400	3,150	13,785	14,534	44,142
AMC Total				745		4,071
Concord						3
Eagle				745		4,068
Renault Total	2,700		3,150	13,040		40,071
Alliance	2,700		3,150	13,040		40,071
CHRYSLER CORP.	13,670	10,676	23,396	75,380	141,022	194,351
Plymouth Total	5,270	4,202	8,975	29,544	59,394	73,493
Horizon	1,800		3,085	10,219	17,034	23,575
Reliant	3,400	4,202	5,790	19,007	42,360	49,105
Caravelle ('83)	70		100	318		813
Chrysler Total	3,000	2,822	5,490	16,724	26,548	43,986
LeBaron	1,400	2,822	2,473	7,683	26,548	21,296
Chrysler E-Class	1,600		3,025	9,041		22,692
Dodge Total	5,400	3,852	8,923	29,112	55,080	76,870
Omni	2,100		2,895	9,446	16,186	24,039
Aries	2,100	3,026	3,885	12,785	31,136	34,823
Dodge 400	500	826	1,031	2,908	7,758	7,474
Dodge 600	700		1,112	3,973		10,534
FORD MOTOR	24,766	22,986	29,849	115,491	221,609	347,663
Ford Division	16,725	14,316	20,095	77,930	133,071	227,796
Escort	5,694	5,474	5,773	25,797	61,150	64,522
Fairmont		3,005			20,309	23,728
Mustang	2,811	2,924	3,746	10,994	24,304	32,452
LTD/Granada	2,690	2,726	3,193	13,034	19,813	43,373
Thunderbird	3,983		5,172	19,297	6,080	41,871
Crown Victoria/Ford	1,434		2,211	8,514		20,846
EXP	113	187		294	1,415	1,004
L-M Division	8,041	9,670	9,754	37,561	88,538	119,267
Mercury Total	6,389	6,582	8,088	29,374	63,152	92,793
Lynx	1,507	1,671	1,536	6,159	18,182	16,087
Capri	465	975	340	1,277	6,702	5,580
Zephyr		875			7,241	8,601
Marquis/Cougar	1,023	1,283	1,427	5,400	10,565	15,646
Cougar/XR7	1,976		2,732	8,607	2,083	17,496
Gr. Marquis/Marquis	1,331	1,729	2,053	7,858	18,108	29,068
LN7	27	49		73	271	315
Lincoln Total	1,652	2,088	1,666	8,187	25,386	27,074
Continental ('82)	330	417	334	1,633	5,607	5,405
Lincoln	784	843	787	3,850	10,160	12,108
Mark VI	538	828	545	2,704	9,619	9,561
GENERAL MOTORS	61,269	71,599	75,719	296,447	714,247	894,602
Buick Division	13,721	17,445	14,978	64,877	174,819	210,408
Skyline	2,436	3,425		6,075	31,491	23,947
Skyhawk J	964	2,833	1,159	5,049	19,905	17,638
Century	2,833	2,396	3,745	14,612	31,984	40,186
Regal	3,347	4,726	4,537	17,188	43,408	61,379
Buick	3,505	3,228	4,754	18,785	40,772	57,966
Riviera	636	837	783	3,168	7,259	9,292
Cadillac Division	5,316	5,675	7,445	28,300	59,745	87,994
Cimarron	504		557	2,343	1,401	6,852
Seville	548	601	677	2,752	6,082	9,245
Eldorado	1,240	1,497	1,526	6,195	16,083	20,030
Cadillac	3,024	3,577	4,845	17,010	36,179	51,867
Chevrolet Division	20,819	26,809	26,656	97,084	202,851	267,182
Chevette	4,132	6,823	4,866	19,084	40,179	53,870
Cavalier	4,326	1,907	5,419	20,175	26,809	50,217
Celebrity	2,099	2,473	2,834	7,427	12,947	17,115
Camaro	2,757	5,429	4,061	14,021	52,227	44,628
Citation	1,992	4,305	2,578	10,095	28,520	29,570
Malibu	2,765	3,259	3,321	12,466	18,513	34,877
Monte Carlo	1,523	1,581	2,010	7,670	10,914	21,764
Chevrolet	745	427	956	3,806	5,092	11,501
Corvette	460	605	611	2,340	7,650	3,640
Oldsmobile Division	15,942	11,999	18,414	75,238	191,267	238,862
Omega	1,612	1,606		4,148	18,806	17,602
Firenza	772	1,978	1,038	3,711	24,516	10,317
Cutlass	4,320		6,123	22,356	41,470	70,877
Cutlass/Ciera	2,886	2,326	3,411	13,223	27,241	40,919
Oldsmobile	5,660	5,424	6,994	28,368	69,723	88,665
Toronado	692	665	848	3,432	9,511	10,482
Pontiac Division	5,471	9,671	8,226	30,948	85,565	90,156
Acadian		365	483	1,496	2,257	4,497
2000	1,588	808	2,096	7,445	4,426	21,504
1000	348	337	783	3,486	2,066	10,260
Firebird	1,667	2,960	2,272	8,500	28,648	22,217
Phoenix	468	877	499	2,368	6,760	7,566
G. Prb/B/Ville ('83)	1,400	3,289	2,093	7,653	38,165	24,112
A6000		1,035			3,253	
HONDA	700		720	2,732		6,155
VOLKSWAGEN	1,692		2,141	8,135	24,267	24,002
CHECKER		100*			1,000*	
Total Cars, U. S.	104,797	106,761	134,975	511,970	1,116,679	1,510,915

DeLorean seeks cut in bail; U. S. wants to increase it

By Matt De Lorenzo
Los Angeles Reporter

LOS ANGELES. — Attorneys for John Z. DeLorean and the federal government are expected in U. S. District Court here today (April 4) to haggle over the \$5 million bail securing the release of the former auto maker.

DeLorean faces charges that he conspired with two others to distribute 100 kilos of cocaine.

He was initially released on \$10 million bail secured by \$250,000 in cash and by property owned by DeLorean and his wife, Cristina Ferrare, in California, New York and New Jersey. His attorneys were able to get that amount cut in half earlier this year.

Defense attorneys are reportedly seeking to have the bail cut in half again and moved from secured to unsecured status.

That change would free the remaining properties pledged for the bail and use the \$250,000 cash posted by DeLorean to insure his appearance at the trial. The trial is scheduled to begin April 19.

Government attorneys, on the other hand, are seeking to increase the bail, although documents specifying the amount and the reasons why have been sealed by Judge Robert M. Tagasuki.

Honda Prelude price up \$1,550 for '83

GARDENA, Calif. — Prices of the 1983 Honda Prelude coupe are \$9,645 with five-speed transmission and \$9,995 with automatic transmission and power steering.

The five-speed version is \$1,650 more than the 1982 model, and the automatic is up \$1,550.

However, reports that have surfaced indicating that DeLorean is attempting to sell Logan Mfg., a Utah-based maker of snow-grooming equipment, may be behind the government's move.

DeLorean's attorneys argued in an earlier bail reduction hearing that the high amount was threatening that operation.

The defense said a bank, later identified as Continental Illinois, was considering pulling its \$7.5 million line of credit to the operation because DeLorean had pledged his property for bail—a move that the bank said violated its credit agreement with DeLorean.

Canadian car output rises as Ford St. Thomas returns

The resumption of work at Ford Motor's St. Thomas facility offset last week's Easter holiday downtime and upped Canadian auto output 2.18 percent from the previous week's five-day total.

The auto makers targeted 17,745 units during four days of assembly last week, up from the prior week's 17,367, but down 3.78 percent from the 18,443 cars built during five days of production in the comparable 1982 period.

Year-to-date, the manufacturers have assembled 238,062 cars, a 15.93 percent gain from last year's 205,352.

Truck output, held back by the four-day work week, was 8,129 units, down 19.28 percent from the previous week's 10,070, and down 30.01 percent from last year's 11,614.

To date this year, there have been 120,667 trucks completed, a 2.38 percent drop from 123,605

built in the comparable 1982 period.

American Motors' Brampton facility remained closed last week. Assembly of Spirit was discontinued at the end of March. Production of Concord models will be phased out by the end of April, leaving the Eagle and SX-4 as the only vehicles produced at Brampton. Output of Eagles will be cut from two shifts to one shift in June.

Also idle last week was Ford's Oakville car plant. Oakville, which had been the source of Crown Victoria models, closed Feb. 21 for conversion to the new Tempo and Topaz. Full production is scheduled to resume there April 11.

Ford's St. Thomas facility returned last week following a week of downtime to cut overstocked inventory.

General Motors' Oshawa No. One point will resume second-shift operations today (April 4). Output there will be upped to 720 units a day as a result.

All car and truck facilities were idle last Friday (April 1) in observance of the Good Friday holiday.

Makers assemble 36,790 trucks in 4-day week

Because of holiday downtime, last week's domestic truck output fell 25.79 percent from the previous week's five-day total. Output was also down 14.56 percent from the comparable 1982 period.

The truck makers scheduled 36,790 units during four days of assembly last week, down from 49,578 the previous week, and also down from 43,080 units built during five days in the comparable week last year.

Year-to-date, the manufacturers have finished 520,472 units,

CANADIAN CAR PRODUCTION

	Week Ended April 2, 1983	Week Ended April 3, 1982	Week Ended March 26, 1983	March Est.	Jan. 1 to April 3, 1983	Jan. 1 to April 2, 1982
AMERICAN MOTORS	610		894		6,799	6,530
CHRYSLER CORP.	4,000	1,368	4,768	19,034	43,459	55,471
FORD MOTOR	4,125	8,897	219	9,647	62,447	43,750
GENERAL MOTORS	9,440	7,543	12,200	47,147	89,723	129,521
VOLVO	180	225	180	855	2,924	2,790
Total Cars, Canada	17,745	18,443	17,367	77,577	205,352	238,062
N. American Cars	122,542	125,204	152,342	589,547	1,322,031	1,748,977
N. American Trucks	44,919	54,674	59,648	230,250	604,954	641,139
North American Cars and Trucks	167,461	179,878	211,990	819,797	1,926,985	2,390,116

*All Canadians and Caravelles are built for sale in Canada. *—Estimated.

CANADIAN TRUCK PRODUCTION

	Week Ended April 2, 1983	Week Ended April 3, 1982	Week Ended March 26, 1983	March Est.	Jan. 1 to April 3, 1983	Jan. 1 to April 2, 1982
CHRYSLER CORP.	2,240	899	2,781	10,903	24,468	33,981
FORD MOTOR	2,653	3,559	2,908	12,780	30,463	31,057
GENERAL MOTORS	3,040	6,890	4,126	16,976	65,502	54,083
INTERNATIONAL	196	266	257	718	3,172	1,546
Total Trucks, Canada	8,129	11,614	10,070	41,377	123,605	120,667
N. American Trucks	44,919	54,674	59,648	230,250	604,954	641,139

†—Now includes window van production. *—Estimated.

Jeep includes commercial only. AM General includes government-destined vehicles.

up 8.13 percent from last year's 481,340.

All truck assembly points, with the exception of American Motors' Toledo (Jeep) facility, were reported operating four

days last week. AMC's Toledo plant was idle due to overstocked inventory.

All facilities were closed Friday (April 1) in observance of the Good Friday holiday.

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Shrinking 'C'



Buick Electra downsized, has FWD for '84

Buick will lop nearly two feet and 1,000 pounds off its Electra line for the 1984 model year. The new front-drive six-passenger car, shown in this unofficial photo, will bow this fall with standard V-6 engine. Electra is one of the GM C-bodies (along with Oldsmobile 98 and Cadillac DeVille). Electra and 98 will be built at GM's new Wentzville (Mo.) assembly plant, and 98 and DeVille will be built at the new Orion Township (Mich.) plant.

Will build H-car at Sterling Heights in 1984

Chrysler buys VW plant

By Marjorie Sorge
Labor Editor

Volkswagen of America and Chrysler Corp. are in the real estate business together again.

Late last week, the two companies signed an agreement in principle for Chrysler to buy VWoA's semi-completed Sterling Heights (Mich.) assembly plant for an undisclosed amount. The plant will build the new H-car, a front-wheel-drive four-door sedan, beginning in 1984. Output will be about 60 an hour on a single shift basis.

The front-wheel-drive New Yorkers may also be added to the lineup depending on market conditions next year, a Chrysler spokesman said. Other models could also be added.

The H-car was to go to the company's Jefferson Ave. plant in Detroit, but that facility is currently building at capacity, working overtime every Saturday for the last 10 weeks. Consequently, a company spokesman said, Chrysler needed more capacity to meet future needs.

Jefferson builds the Reliant, Aries, Dodge 400, LeBaron, Dodge 600, Caravelle and Chrysler E-Class.

Chrysler was also quick to point out that the addition of another plant will not result in the closings of any other facility.

The sale of the Sterling Heights plant also will not effect VWoA's domestic manufacturing. According to a VWoA spokesman, the company is "firmly committed to the U. S. market as a manufacturing base."

VWoA has another assembly plant in Westmoreland, Pa., which it purchased from Chrysler in 1976. The purchase price of that facility was \$250 million of which VW paid \$55 million while the State of Pennsylvania and other parties provided the balance.

Chrysler began building that facility in 1968. It finished initial construction in 1970 but never completed the plant.

In a similar manner, VWoA never opened its 2.75-million-square-foot Sterling Heights assembly plant which it purchased from the U. S. Army in 1980 when Rabbit sales were high and the company felt it needed more capacity.

Rabbit sales in 1980 reached 177,106 but dropped to 162,445 in 1981 and then to 91,166 in 1982. For the first three months of 1983, Rabbit sales were off 21.7 percent from last year.

According to a VWoA spokesman, the sale of the Sterling Heights plant will "free up" resources and allow them to be redirected into improving the dealer market and product areas.

The sale can be compared to a land contract deal. Chrysler will make annual payments to VWoA over a 12-year period. VWoA retains the plant as collateral.

The sale is subject to the approval of the boards of direc-

tors of both companies and the Chrysler Federal Loan Guarantee Board which must approve all Chrysler purchases over \$10 million.

A spokesman for the loan board said it has not yet received the complete proposal and would not comment on the purchase plan until it had reviewed it.

• VWoA acquired the Sterling Heights plant, a former missile plant site, from the Army in a swap. In exchange for that building, VWoA constructed two new office buildings for the Army at a cost of \$20.8 million. In addition, VWoA then said it would invest about \$300 million in the plant for renovation. About 80 percent of that renovation plan has been completed, but that does not include tooling.

Chrysler will invest more than \$160 million in the plant before it begins production in 1984. About \$132 million will go for processing equipment and another \$28 million for employee training and pre-production costs.

Chrysler is also hoping that a tax abatement granted VWoA by the City of Sterling Heights will be continued. That abatement offers tax forgiveness for 12 years on improvements to the building and a 50 percent tax cut for 12 years on additions.

Chrysler plans to hire 1,600 hourly workers at Sterling Heights for a single shift. Those workers will be represented by the UAW and an agreement will be negotiated between Chrysler and the union, the company said.

According to the UAW, the union will be talking to Chrysler about its future plans for Sterling Heights and the corporation during the next several weeks. It is possible that laid-off workers at other Chrysler facilities could be eligible for the jobs at Sterling Heights.

Chrysler sold its idle Lynch Rd. plant in Detroit last December to the City of Detroit for \$10. That facility had been closed since 1981. According to a Chrysler spokesman, the plant was "obsolete and it was cost-prohibitive to convert it."

Mild sales upturn puts domestic inventory at healthy level

New-car stocks dip to 55½ days

By Richard A. Wright
Assistant Managing Editor

The domestic new-car inventory dropped during March as the sales rate began to warm up even while temperatures through much of the country didn't.

The April 1 domestic new-car inventory totaled 1,235,313 units, a 55½-day supply, compared with 1,248,384 a month earlier, a 68-day stockpile. A year ago, the industry had 1,246,648 new cars

in stock April 1, which was a 58½-day supply.

While the sales upturn during March was no barn-burner, the modest gain was enough to bring most lines into a good inventory situation and, in fact, even produce a few shortages.

All corporate makers except Volkswagen of America trimmed their U. S.-built stocks during the month. In fact, all but VWoA opened April with inventories under the 60-day level

which has come to be thought of as ideal.

General Motors had a 54-day supply of new cars April 1, down from 66 days a month earlier. The GM stocks included rather short supplies of Oldsmobile Cutlass and 88 models.

Ford Motor Co. opened April

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with a 56½-day supply, down from 71 days a month earlier. Ford had just about sold out its Granada/Cougar stocks and was running low on Fairmont and Zephyr, which are also on the way out.

Chrysler Corp. had a 57-day supply April 1, down from 70 days March 1. Chrysler's stockpile was extremely well balanced between its various lines, particularly when compared with just a few years ago, when the corporation's sales bank would not only balloon its inventory but often distort it.

American Motors had a lean 58-day supply with which to open April, due largely to the sales success of its Alliance. VWoA had a 95-day supply, little changed from 93 days a month earlier, while American Honda had not yet built much of a stock of U. S.-produced Accords, carrying a 25-day supply into April.

The April 1 domestic inventory was divided this way: GM, 57.01 percent; Ford Motor Co., 23.68 percent; Chrysler Corp., 14.06 percent; AMC, 3.19 percent; VWoA, 1.86 percent, and Honda, 0.20 percent.

A month earlier, the domestic inventory was divided as follows: GM, 57.29 percent; Ford Motor Co., 24.13 percent; Chrysler Corp., 13.25 percent; AMC, 3.44 percent; VWoA, 1.71 percent, and Honda, 0.18 percent.

By size class, the April 1 stockpile was pretty well balanced, but still leaner on the big-car end. The industry had a 66-day supply of subcompacts,

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Truck industry seers confident of an upturn

By Jack Walsh
Truck Editor

For three years, the truck industry has been looking for a reversal in the downturn in heavy-truck sales that started in 1980. Despite the optimism that prevailed each year, the results were disappointing.

Once again, industry experts are confident of an upturn. But the consensus this time is that any sales increases in 1983 will be small and gradual, with any noticeable improvement unlikely before the third quarter.

The industry is hopeful that a strengthening of the general economy in the first half will be great enough to offset a wave of confusion growing out of federal approval of changes in excise taxes, adoption of uniform size and weight limits and higher user-fuel taxes.

Some fleet operators already have indicated they will delay purchases of new trucks and

trailers until the changes are more clearly defined.

On the positive side, John B. Curcio, president, Mack Trucks, Inc., said "Mack foresees a very gradual improvement in sales for 1983, as the U. S. economy moves slowly in the direction of recovery."

• On the negative side, James F. Lambert, North American field sales and marketing manager, Rockwell International, doesn't think industry sales this year will be as high as last year.

"The recession that began in the industry four years ago is still with us, and probably will remain so through our 1983 fiscal year (which ends Sept. 30)," he said. He added that the industry still hasn't felt the full impact of deregulation and intensified world competition.

With indications of an upturn
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breaking news

Japanese work to ease imports

TOKYO.—The Japanese Diet is speeding work on a package of new import procedures designed, among other things, to simplify importing of automobiles. Testing and documentation would be simplified and quality standards would be relaxed. Time need for certification could be cut from seven months to 2½ months.

VW completing move to Michigan

TROY, Mich.—Volkswagen of America said that the consolidation of its New Jersey sales and marketing operations into its corporate offices in Troy, Mich., is on schedule, with

See BREAKING NEWS, Page 8, Col. 1